

Blakeslee Prestress, Inc.



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To whom it may concern:

My name is Rick Fitzgerald. I am the Vice President of Operations for Blakeslee Prestress, Inc. in Branford Connecticut. We are a Major Subcontractor and Manufacturer of precast prestressed concrete products. We have been in business for 65 years and currently employ approximately 150 people. We are a Union manufacturing shop and Union erector.

We are primarily in the parking garage market. We also do some DOT bridge work along with some unique other projects. Our competition in this market is all out of state producers. With that said, the highway use tax that took effect January 1, 2023, makes us less competitive on work that we are bidding or have already been awarded. The projects that we bid are manufactured and delivered a year or sometimes two in the future. There is no way to anticipate increased fees and taxes when we are bidding work that far out. If we were to randomly increase our costs at bid time anticipating these unforeseen situations, we risk losing work to our out of state competitors.

How does the Highway Use Tax effect Blakeslee Prestress, Inc.?:

- It Increases delivery costs of raw materials used to manufacture our products. Sand, stone, cement, admixtures, rebar, and prestressing strand all get delivered with tractors pulling trailers. We receive approximately 4000 inbound loads per year of these and other raw materials.
- It increases costs of outgoing shipments of our products to projects, many of which travel out of state. This varies anywhere from 3500-5000 loads per year. A substantial percentage of these loads are over 80,000# gross weight so we are paying the full \$.175/mile rate outgoing from our plant. We do a substantial amount of work in the Boston and New York area. The tax would add \$20/load to the Boston market and \$13/load to New York.
- Makes us less competitive in our market resulting in the losing bids for precast projects.

A couple of points regarding the current highway tax bill:

- Blakeslee Prestress has multiple haulers delivering sand and stone for producing concrete. One uses tractors with dump trailers and others use tri-axle dump trucks grossing out at slightly less weight (76,500# versus 80,000#). The hauler with the dump trailer is required to pay the highway use tax and the other (a class 7 vehicle) is exempt from paying the tax. Additionally, tri-axle dump trucks have a much shorter wheelbase then the tractor trailers. This results in a greater concentration of wheel loads at the drive axles of the dump trucks and more potential damage to roads and bridges. The tractor trailer configuration spreads the weight of the load out with more axles.